



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

OCT 30 2007

VIA FAX (202-730-1301) and FIRST CLASS MAIL

Thomas G. Connolly, Esq.
Harris, Wiltshire & Grannis
1200 18th Street, NW
Washington, DC 20036

Re: MUR 5666
Richard A. Berglund

Dear Mr. Connolly:

On October 23, 2007, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your client's behalf in settlement of knowing and willful violations of 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. *See* Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. *See* 2 U.S.C. § 437g(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

A handwritten signature in black ink, appearing to read "Audra L. Wassom".

Audra L. Wassom
Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of
Richard A. Berglund

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) MUR 5666
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FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint filed with the Federal Election Commission ("Commission") by Citizens for Responsibility and Ethics in Washington and by information ascertained by the Commission in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Richard A. Berglund ("Berglund" or "Respondent") knowingly and willfully violated 2 U.S.C. § 441f.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent entered voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. True Norte, Inc. f/k/a/ MZM, Inc. ("MZM"), a corporation registered in the state of Nevada and headquartered in Washington, D.C., sold equipment and services to the United States Department of Defense.

2. Mitchell J. Wade ("Wade") was the principal owner and Chief Executive Officer of MZM.

3. Berglund was employed by MZM as a manager of an office of MZM located in Martinsville, Virginia.

4. Goode for Congress was the principal campaign committee of Virgil Goode, a member of the United States House of Representatives and was a political committee within the meaning of 2 U.S.C. § 431(4).

5. The Federal Election Campaign Act of 1971, as amended ("the Act") prohibits any person from making a contribution in the name or another and from knowingly permitting his or her name to be used to make such a contribution. 2 U.S.C. § 441f. In addition, no person may knowingly help or assist any person in making a contribution in the name of another. 2 U.S.C. § 441f; 11 C.F.R. § 110.4(b)(1)(iii). This prohibition also applies to any person who provides the money to others to effect contributions in their names. 11 C.F.R. § 110.4(b)(2).

6. Berglund assisted MZM and Wade in a scheme in which Wade reimbursed Berglund, Berglund's wife, Robin Berglund and several MZM employees and their spouses for contributions to Goode for Congress with MZM corporate funds.

7. On or about February 16, 2005, Wade met with Berglund at MZM headquarters in Washington D.C. At that meeting, Wade provided cash from MZM corporate funds to Berglund and asked him to use to cash to fund contributions to Goode for Congress in

the name of Berglund, Berglund's wife and MZM employees who worked in Martinsville under Berglund's supervision. Berglund then used \$3,000 of Wade's cash to make a contribution in his own name and in the name of his wife, Robin Berglund. Berglund also provided cash to MZM employees Ralph Ganis, Joseph James, Robert Harrell and Matthew Shaffer and told them Wade wanted them to contribute \$2,000 each to Goode for Congress. The employees, and in some cases, their spouses used the funds to make contributions to Goode for Congress. The resulting straw contributions to Goode for Congress, which are outlined below, were made in the names of the employees or their spouses:

Date of Contribution	Straw Contributor	Amount of Contribution
3/2/05	Richard Berglund	\$2,000
3/4/05	Robin Berglund	\$2,000
3/2/05	Ralph Ganis	\$2,000
3/2/05	Robert Harrell	\$2,000
3/2/05	Donna Harrell	\$2,000
3/4/05	Joseph James	\$2,000
3/4/05	May James	\$2,000
3/4/05	Matthew Shaffer	\$2,000

8 At the time of the contributions listed in this Conciliation Agreement, Berglund knew that it was unlawful to make contributions in the name of another to a federal campaign committee and that his actions were, therefore, unlawful.

9. On July 21, 2006, Richard Berglund pleaded guilty to a misdemeanor violation of 2 U.S.C. §§ 441f and 437g(d)(1)(A)(ii) by unlawfully making contributions in the name of another.

V. Respondent knowingly and willfully violated 2 U.S.C. § 441f by making a reimbursed contribution and assisting in a scheme to reimburse contributions.

VI. Respondent will take the following actions:

1. Respondent will pay a civil penalty of forty-two thousand dollars (\$42,000) pursuant to 2 U.S.C. § 437g(a)(5)(B).

2. Respondent will cease and desist from violating 2 U.S.C. § 441f.

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.


IX. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

Conciliation Agreement
MUR 5666

FOR THE COMMISSION:

Thomasenia P. Duncan
General Counsel

BY: 
Ann Marie Terzaken
Acting Associate General Counsel
for Enforcement

10/24/07
Date

FOR THE RESPONDENT:


Richard A. Berglund

10 OCT 07
Date